SHRI K. P. SINGH DEO: It is only 45 days. I will collect the information as to what the arrears were against the names for the period between 1992 and 1993. But as far as 1993-94 is concerned, the figures are what I have stated in respect of Doordarshan and AIR. It is Rs. 12.81 crores in respect of Doordarshan and Rs. 1.38 crores in respect of AIR. For the four-month period up to 15th July; 1994; I have given the figures of the amount recovered. That is; Rs. 5.86 crores for Doordarshan and Rs 42 lakhs for AIR. If you want any other information; I will collect and supply it to you.

DR. BIPLAB DAS GUPTA: Sir is the quality of the answer given by the hon. Minister a reflection of the quality of the programmes of Doordarshan itself?

श्री मोहम्मद अफजल उर्फ मीम अफजल : सब से पहले तो मैं यह जानना चाहता हू कि जो 21 कम्पनियों के नाम मन्त्री जी ने दिए हैं, जो डिफाल्टर्ज हैं, इन्होंने माना है। इसमें बताया गया है कि कुछ ने पैसा वापिस कर दिया है और कुछ ने अभी तक पैसा वापिस नहीं किया है और उनको डिएक्रीडियेट कर दिया गया है। मैं यह जानना चाहता हूं कि दूरदर्शन को 45 दिन का क्रेडिट देने की क्या जरूरत है। क्या दूरदर्शन इन कम्पनीज से एडवांस पेमेंट ले कर के एडवरटाइजमेंट नहीं कर सकता ताकि यह पैसा किसी भी हालत में ब्लाक न हो ?

†شری محمد افضل عرف م. افضل: سب سے پہلے میں یہ جاننا چاہتا ہوں کہ جو 21 کمپنیوں کے نام منتری جی نے دیئے ہیں جو ڈفالٹرز ہیں۔ انہوں نے مانا ہے۔ اس میں بتایا ہے کہ کچھ نے پیسہ واپس کر دیا ہے۔ ابھی تک پیسہ واپس نہیں کیا ان کو ڈسکریڈیٹ کر دیا گیا ہے۔ میں یہ چاہتا ہوں کہ دوردرشن کو 45 دن کا کریڈٹ دینے کی کیا ضرورت ہے۔ کیا دوردرشن ان کمپنیز سے ایڈوانس پیمنٹ لے کے ایڈورٹائزمنٹ نہیں کر سکتا تاکہ یہ پیسہ کسی بھی حالت میں بلاک نہ ہو۔

DR. K. P. SINGH DEO: Sir; this is a suggestion by the hon. Member which I shall pass on to Doordarshan.

Changes in the FERA positions

*26. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to bring about major changes in the FERA;

(b) if so; the deails of the changes likely to be made and the reasons therefor;

(c) whether the FERA changes will have any impact on the present economic liberalisation; and

(d) if so, the details thereof?

†[ ] Transliteration in Arabic script.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) to (d) Major changes FERA were made vide Foregin Exchange Regulation (Amendment Act, 1993 (29 of 1993). Since the significant steps have been taken towards convertibility on current account by liberalising foreign exchange access for travel education payment for sundry service rendered from abroad as also for making gifts and donations upto certain amount. A comprehensive reviewing of FERA is currently being undertaken and for their changes including, if necessary, its replacement by new legislation based on the findings of this review, may also be considered.

SHRI KRISHNA KUMAR BIRLA: Mr. Chairman, Sir, the hon. Minister has made an attempt to answer my question, but as usual the reply of the Government is vague. People came to know about the proposed changes when one Mr. B. K. Pal, Controller, Exchange Control Department of the Reserve Bank of India, said on 23rd June, while addressing the members of the Confederation of Indian Export Organisations in Calcutta, that the Government, in pursuance of its policy of economic liberalisation, would be bringing forward some major changes in the Foreign Exchange (Regulation) Act. He also said that he did not rule out the complete replacement of the FERA rules.

Sir, a Task Force was set up by the Reserve Bank of India for this purpose. The Task Force—it is reported —has completed its deliberations and has submitted its report.

In this connection, my first question would be: what are the main recommendations of the Task Force apopinted by the Reserve Bank of India? I would like to assure the hon. Minister here that whatever reply he gives would not be a commitment on his part, but he could certainly share his views with the House. Secondly, what is the approximate time-table of the Government to make these changes?

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Sir, as the hon. Member has pointed out, after the amendments to the Foreign Exchange (Regulation) Act last year, we have been considering what further amendments are necessary, consistent with the policy of economic liberalisation. I mentioned in my Budget Speech that we propose to done towards a regime of current account convertibility of the rupee so that, as a result of this, most restrictions on the current account would be removed. But we do want to phase this thing in such a manner that any administrative problems, any transitional problems, that arise would be taken care of.

It was in pursuance of this that we had requested the Reserve Bank of India to appoint a Task Force. The Task Force has gone into this matter. It is now under discussion with the Government. We have different points of view. As of now, I cannot say as to what would be the final reaction of the Government. All these matters are under discussion. We have not taken a view as to what amendments to make, or, when to make those amendments. This is the position now.

SHRI KRISHNA KUMAR BIRLA: I am grateful to the hon. Finance Minister for the reply he has given. My second supplementary would be, in tune with the policy of liberalisation and with the handsome foreign exchange reserves which have been built up, is the Government planning to do away with the necessity of obtaining Government approval, Government permission, for setting up joint ventures abroad? The Govern-

ment could, perhaps, think of this also while bringing forward these changes.

SHRI MANMOHAN SINGH: Sir, I think we have greatly simplified the process of clearance of proposals involving joint ventures, but I do not feel the stage has come when India can really say that we can freely allow the export of capital. We are, on balance, still a net importer of capital and, therefore, I do feel for the time being we do need some restrictions on export of capital from India. As and when our situation improves that we have a capital account convertibility, then all these restrictions will go. But I have said on many occasions that although our objective is ultimately to move towards a capital account convertibility, it will take quite some time before we reach there.

SHRI SURINDER KUMAR SINGLA: Sir, I would like to say that there are a lot of violations of the Foreign Exchange Regulation Act, and prosecutions of the violations do not normally succeed in the courts. But there are vast power under the Foreign Exchange Regulation Act and they really make a lot of bucks for themselves. Would the Government apply its mind to completely abolish this Act as such or not?

SHRI MANMOHAN SINGH: Sir, I did consider this, I think, soon after our Government came into office, but in the light of events that took place last year in the Bombay bomb blast and all those associated things, I felt the time is not right to take such a drastic step right now.

DR. BIPLAB DASGUPTA: Sir, I am very hapy that the Finance Minister has made a categorical statement today that as far as capital account convertibility is concerned, he would give it a lot of thought before a final decision is taken. This is very good, because earlier the Finance Minister inadvertently made an announcement publicly that within two years capital account will be made convertable. I am very happy to note this change that at least they are now more cautions than they have been one month or two months ago. But the point I am making is, even on current account the Government should really examine the experience of other countries for instance, China. Now, China has not yet adopted current account convertibility. Again there is the experience of some other countries which have gone in for it and got into trouble, like many of the Latin American countries. Therefore, I would like to know from the Minister whether any study has been conducted by his Ministry to examine the various implications of this convertibility and also whether they have drawn some conclusions from that for the Indian economy.

SHRI MANMOHAN SINGH: Mr. Chairman, Sir, there is no doubt that we have considered these matters. It is after consideration of all the pros and cons that I announced in my budget speech the decision of the Government to move towards currente account convertibility. Also it is necessary for the House to know that in the environment that prevails today, all countries of South Asia today announced current account convertibility. Also, all countries South Asia are far ahead of India with regard to reducing tariff rates with regard to removing quantitiaive import restrictions, and if we really want to curb smuggling, I think we have to align our import regimes including our foreign exchange regimes with those of the other countries of South Asia. I think this is necessary. It is precisely because of these decisions that I announced, as a part of that reform process, our decision to move towards current account convertibility.

DR. BIPLAB DASGUPTA: Has a study been conducted? That was my question. Can we get a copy of the study or not?

SHRI MANMOHAN SINGH: I am sorry, this matter we consider all the time. This is the bread and butter of the Reserve Bank and the Ministry of Finance, this is their work.

DR. BIPLAB DASGUPTA: But can I have a copy of that?

SHRI MANMOHAN SINGH I am sorry, I do not have a study for publication.

SHRI SHIVAJIRAO GIRIDHAR PATIL: Mr. Chairman, my congratulations to the Minister for building up very good foreign exchange reserves! But sometime back I came across a news item which said that though the foreign exchange reserves are standing at 17 billion dollars, neither the Reserve Bank nor the Ministry of Finance has the necessary expertise to manage these finances. I would like the hon. Finance Minister to react to this.

SHRI MANMOHAN SINGH: I think, Sir, there is no truth in that statement that we have no expertise. I think we have handled the whole foreign exchange situation quite well. I think the whole world knows it. So, I think, there is no basis for the fear that we do not have the experience or the expertise to handle the inflow of foreign exchange. It is certainly true that large inflows of foreign exchange do create problems, but, I think, these are the problems of penulty. There is certainly a pressure on the domestic monetary supply. The Reserve Bank has taken certain actions to neutralise the impact on the monetary supply. But, sooner or later, if the foreign exchange situation remains as comfortable as it is, I think, we must have a close look at our import regime. We will have to further liberalise our import regime and take other associated measures.

SHRI ASHOK MITRA: Sir, the FERA is an Act of Parliament. All I want to extract from the hon. Minister is an assurance that before any substantive changes are made in the provisions of the Act, Parliament will be duly consulted.

SHRI MANMOHAN SINGH: I think, Sir, it goes without saying that any legislative changes can be made only with the approval of Parliament.

SHRI ASHOK MITRA: That should be on record.

विज्ञापनों से अर्जित राजस्व

*27. **श्री गोपाल सिंह जी सोलंकी :** क्या सूचना और प्रसारण मंत्री यह बताने की कृपा करेंगे कि :

(क) पिछले तीन वर्षों के दौरान अहमदाबाद, राजकोट, भुज, सूरत और बड़ौदा दूरदर्शन केन्द्रों द्वारा विज्ञापनों से प्रति वर्ष कुल कितना राजस्व अर्जित किया गया है ;

(ख) विज्ञापन शुल्क की दरों का ब्यौरा क्या है ;

(ग) क्या और अधिक संख्या में विज्ञापन दाताओं को आकृष्ट करने के लिए विज्ञापन शुल्क की दरों में कमी करने का कोई प्रस्ताव है ;

(घ) यदि हां, तो उसका ब्यौरा क्या है; और

(ङ) यदि नहीं, तो इसके क्या कारण हैं ?

सूचना और प्रसारण मंत्रालय के राज्य मंत्री (श्री के. पी. सिंह देव) : (क) दूरदर्शन केन्द्र, अहमदाबाद जो कि गुजरात में एकमात्र ऐसा केन्द्र है जहां विज्ञापन बुक किए जाते हैं, से संबंधित ब्यौरे निम्न प्रकार से हैं :—

1991–92	3.03 करोड़ रुपए
1992–93	3.69 करोड़ रुपए
1993–94	6.01 करोड़ रुपए